

CONTRACT MANAGEMENT

The Ariba[®] Contract Management Solution



Effective contract management has a direct impact on the financial performance, risk management, and compliance initiatives of all organizations in today's highly competitive, global environment. Finance and legal are tasked with limiting exposure, sales is driven to increase revenue while improving sales effectiveness and optimizing margin, and procurement is tasked with increased savings at a lower cost.

Given this importance, however, many companies have been unable to bring valuable contract information and processes to the front lines of their sales and procurement activities. Many are challenged by poor contract visibility, maverick contract creation, revenue erosion, lost IP, off-contract buying, inconsistent contract language, long approval cycles, and no audit trails—bringing regulatory and SOX compliance into question. The net result is inefficient contract management processes and unmitigated legal exposure due to process inefficiencies and lack of operational controls.

The Ariba Contract Management Solution enables organizations to unlock the value of their contracts portfolio through business process improvement and automation. By streamlining the contract management lifecycle—from creation to lifecycle management—the Ariba Contract Management Solution ensures increased revenues, realized savings, and regulatory compliance.

HOW IT WORKS

The Ariba Contract Management Solution serves as the strategic link between the legal, finance, sales, and procurement processes to deliver effectiveness and contract compliance.

The solution is comprised of four main components, including:

- Contract Visibility / Repository - the centralized contract repository and rich search capabilities address the needs of legal and corporate governance departments by making regulatory compliance and reporting easier and faster
- Contract Creation / Authoring - an automated process that drives use of pre-approved contract templates and legal clauses, streamlined contract negotiation and collaboration, and ensures process standardization
- Contract Performance Management - the ability to structure pricing terms and conditions to automatically enforce contract call-offs, volume or tiered discounts, milestone-based payments and other SLAs, and to enforce buyer and supplier compliance to pricing and terms while effectively managing the organization's sales throughput and liability by winning more deals, increasing renewal rates, and better pursuing cross-sell and up-sell opportunities
- Contract Management Services - implementation, training, clause management, best practices, and contract portfolio risk assessments to maximize solution benefits

Ariba Contract Management Packages

The Ariba Contract Management Solution is offered in multiple packages to meet the varied needs of enterprises of all sizes, allowing them to seamlessly expand their solution usage over time.

Ariba Contract Management - Basic

Provides repository capabilities to streamline contract creation and gain full contract portfolio visibility

- Contract Establishment
- Contract Document Management
- Contract Amendment
- Contract Process Management
- Contract Workflow
- Contract Hierarchies

SOLUTION BENEFITS

The Ariba Contract Management Solution is a comprehensive, enterprise-wide, easy-to-use web-based solution that empowers professionals in all business functions of the organization to achieve the following benefits:

- Enterprise-wide management of all contract functions (including buy-side and sell-side)
- Improved negotiation effectiveness
- Identified revenue opportunities and prevented revenue leakage
- Realization of negotiated cost savings
- Standardized contract processes and approvals
- Lower administrative and legal costs
- Reduced operating and regulatory risk
- Increased revenue through optimized value with customers
- Centralized contract repository
- Elimination of maverick and redundant contracts
- Avoidance of missed deliverables and milestones
- Improved customer and supplier performance

- Repository Search
- Expiration Alert
- Contracts Reporting
- Improved Online Documentation
- Active Compliance: Enforcement of Contract Pricing and Terms on Transactions Real-Time
- Historical (Passive) Compliance: Based on Past Spend Transactions

Ariba Contract Management - Professional

For organizations needing to closely manage contract authoring, with more control over language, clause usage and editorial processes

- Template Library
- Clause Library
- Main Agreement Management
- Clause "Where Used" Search
- Smart Workflow and Approvals
- Contract Pricing Structure
- Milestone-Based Contracts
- Preload Accumulators
- Real-Time Procurement Enforcement

Ariba Contract Management - Enterprise Package

For companies requiring extensive external integrations and highly customized models

- Integration to Legacy or ERP Systems
- Highly Customized Requirements

WHY ARIBA?

SPEED:

- Speed to Contract - online authoring process with templates, redlining and smart workflow allow contracts to be established more quickly
- Global Contract Visibility - robust online repository maintains real-time information on each contract, including current volumes, alerts, owners and language

SUSTAINABILITY:

- Expert Services - guidance and best-practice expertise optimize the contract management process based on corporate requirements
- Sustainability of Benefits - closed-loop, integrated processes capture knowledge and provide process visibility, measurement and continuous improvement while mitigating risk exposure

COVERAGE:

- Breadth of Solution - a single contract management

vendor to manage full contracts process capabilities, including authoring, repository and compliance, ensure contracts' value reaches the bottom line

- Global Coverage - global presence, multi-language and multi-currency capabilities, and complex contracts structures support global contracts throughout the organization

FLEXIBILITY:

- Flexibility of Offerings - intuitive applications combined with rapid deployment and integrated support services place no burden on IT departments

RAPID DEPLOYMENT PROCESS

Ariba includes rapid implementation services with the packages, enabling speedy deployments. The deployment includes software implementation services to meet diverse customer needs, including contract overview data field creation, contracting process definition, initial repository loading, out-of-the-box templates, and configuration of customer-specific processes and knowledge. Deployment services support contract authoring, such as contract template development, clause library population, and smart workflow setup.

The tool is supported by a highly secure and scalable network infrastructure that does NOT require installation, on-site maintenance, or unique hardware.

PRODUCT SUPPORT

Ariba Contract Management packages include product support services, provided by product specialists to answer questions and provide navigation and functionality help.

TRAINING

Ariba Contract Management packages include classroom training for super users, covering the more advanced capabilities of the package as well as web-based, on-demand training tutorials that cover the event lifecycle for all parties.

WHAT NEXT?

Your contract management issues will not fix themselves. You need the right tools and expertise. Whether you are interested in establishing a repository, introducing contract authoring, or realizing negotiated savings with contract compliance, Ariba can help. Contact Ariba today to learn more.

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Ariba is SAS 70 Type II certified (hosting facilities). Ariba's applications are also Webtrust certified. Webtrust is a stringent certification developed jointly by the American Institute of Certified Public Accountants (AICPA) and the Canadian Institute of Chartered Accountants (CICA) for use in e-commerce.



ARIBA®

This is Spend Management™